

August 28, 1986

MESABA
NORTHWEST ORIENT
AIRLINK

Dear Employees,

Today, through press releases, personal contacts, phone and press conferences, we are releasing our October 1st schedule changes which informs everyone of the new Northwest strategy for Airlink services in and out of Minneapolis/St. Paul. It is a major change for all of us at Mesaba and one that will offer successful operations for us once we pass through a difficult transition and route realignment stage.

Effective October 1, 1986, our Company will commence new service to the cities of Grand Forks, North Dakota, Watertown, South Dakota and Lincoln, Nebraska. We will also substantially increase service to the cities of Aberdeen, Bemidji and Brainerd and add an additional round-trip to Rochester. However, also effective October 1, 1986, we will discontinue service to the cities of Duluth, Hibbing, Moline, Cedar Rapids, and Rapid City. As a result, on October 1, 1986, Mesaba will be serving a total of 19 cities in six states. The cities to which we are discontinuing service will be served by either the new Northwest or by another Airlink carrier (RC Express). RC Express will be withdrawing service to Aberdeen, Watertown, Bemidji, Brainerd, Grand Forks and Rochester.

Since both RC Express and Mesaba have had contracts claiming exclusive rights to serve this geographical area, some compromise on expectations has occurred for both companies; however, we believe that our new route system makes sense and will allow us to return to a profitable operation with a stable secure work environment.

We anticipate that the revised route structure will permit an increase in our systemwide load factor and will reduce our systemwide operating costs as a result of less overall flight hours. Although we will be serving fewer cities and operations with significantly less flight hours, we expect our revised route system to generate revenues for this current fiscal year, significantly in excess of those reported by the Company for the year end March 31, 1986.

Regretfully, as a result of the reduction in the number of cities served by us and the reduction in the number of flight hours, we will be forced to slightly reduce areas of our total employee group by approximately 5%. In these affected areas, all of the personnel involved should have already been spoken to. We are not making any of these related reductions

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in personnel until October 1st and we are making all efforts possible to relocate personnel who desire to do so if an opportunity exists. If a vacancy occurs in an area where an employee is laid off within 90 days, we will give that person the opportunity to fill that opening. Furthermore, wherever possible we will scale back operations through normal attrition and not through any mandatory reductions. Most of the jobs which are affected are in the cities where service is being discontinued.

Over the short term, we have reached a level of stable growth and we will not be experiencing the rapid growth that we have felt over the past five years. We have additional growth markets to move into, as well as, increased service possibilities in markets jointly served with Northwest. Our long term prospects are excellent and we are working hard to return to profitable operations shortly.

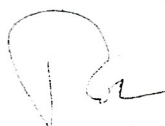
For your information, our new route change plan has only evolved during the past week following the release of Northwest's new schedule. Our October 1 route realignment is a response to a difficult problem that the new Northwest had with two feed carriers serving Minneapolis/St. Paul.

As always, please direct any inquiries from members of the press to Doug Fulton, director of Marketing and Public Relations, at 612-726-5151.

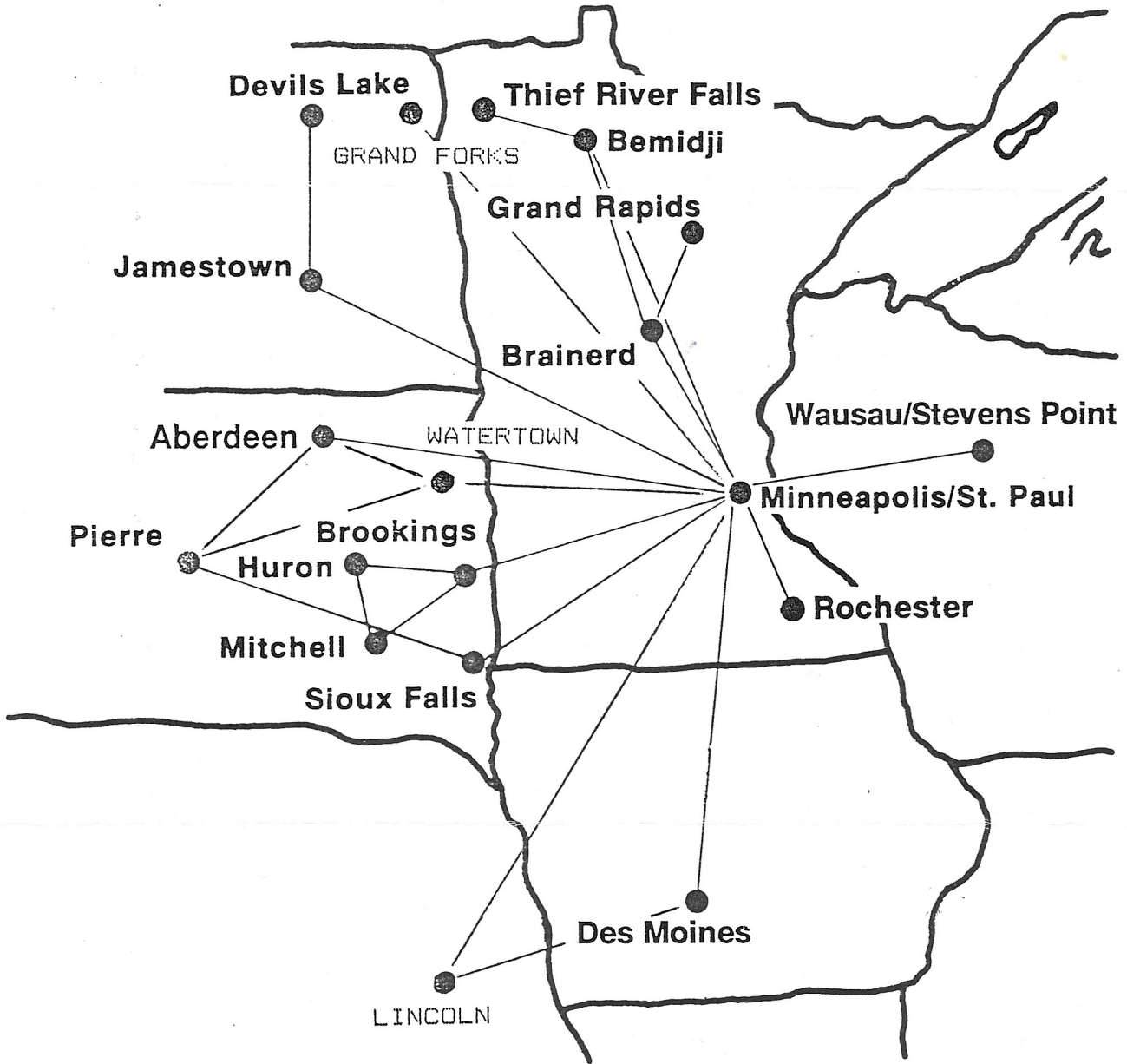
As we move forward, we will come to realize that we are now partners with not only the new Northwest but the new Northwest Airlink partners as well. Our future is excellent and I call upon you for your help and support as we transition through this schedule change. After all...we have an airline to fly.

Thank you and warm personal regards,

Robert D. Swenson
President and CEO



NEW SERVICE EFFECTIVE
OCTOBER 1, 1986



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